

## Message Text

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63

ACTION EB-07

INFO OCT-01 ARA-06 ISO-00 CIAE-00 COME-00 DODE-00 DOTE-00

FMC-01 INR-07 NSAE-00 CG-00 OFA-01 DLOS-03 PA-01

USIA-06 PRS-01 SP-02 L-02 AID-05 IGA-01 /044 W

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R 142023Z MAY 75

FM AMEMBASSY PANAMA

TO SECSTATE WASHDC 3905

INFO AMEMBASSY BOGOTA

AMEMBASSY BRIDGETOWN

AMEMBASSY CARACAS

AMEMBASSY GEORGETOWN

AMEMBASSY GUATEMALA

AMEMBASSY KINGSTON

AMEMBASSY MANAGUA

AMEMBASSY MEXICO

AMEMBASSY PORT AU PRINCE

AMEMBASSY PORT OF SPAIN

AMEMBASSY SAN JOSE

AMEMBASSY SAN SALVADOR

AMEMBASSY SANTO DOMINGO

AMEMBASSY TEGUCIGALPA

C O N F I D E N T I A L PANAMA 2848

EO 11652: XGDS-1

TAGS: EWWT, ETRD, PN

SUBJ: SHIPPING: PROPOSED LATIN AMERICAN-CARBEEAN SHIPPING  
VENTURE

REF: (A) PORT OF SPAIN 1053 (B) TEGUCIGALPA 1836

(C) MEXICO 3881 (D) PORT AU PRINCE 1004

(E) PANAMA 1113

1. FOLLOWING COMMENTS WERE OBTAINED ON SEPARATE OCCASIONS  
FROM MR. PANAMA ANGEL KOURUKLIS, DIRECTOR, OFFICE OF  
CONSULAR AND SHIPPING SERVICES, MINISTRY OF FINANCE AND  
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TREASURY, AND DR. FLAVIO VELASQUEZ, POLITICAL ADVISOR, MINISTRY

OF FOREIGN RELATIONS, BOTH MEMBERS PANAMANIAN DELEGATION WHICH VISITED RECENT CONFERENCE IN MEXICO CITY:

2. KOURUKLIS: MAJORITY PANAMANIAN DELEGATION OPPOSED SUBJECT VENTURE BECAUSE IT WOULD WORK AGAINST PANAMA'S ECONOMIC INTEREST AS MAJOR FLAG OF CONVENIENCE COUNTRY. MINORITY FAVORED USUAL LATIN AMERICAN SOLIDARITY MOTIVES. THERE WAS STRONG PREPARATION FOR SAID CONFERENCE ON THE PART OF CUBA, COSTA RICA, AND OF COURSE MEXICO. THE CUBANS SUGGESTED THAT SHIPS UNDER PANAMANIAN REGISTRY PARTICIPATING IN THE SUBJECT VENTURE COULD REMAIN UNDER PANAMANIAN FLAG. THEY ALSO SUGGESTED THAT DIFFERENT CONSIDERATION BE PLACED ON PANAMANIAN FLAG VESSELS OF PANAMANIAN OWNERSHIP AS AGAINST FOREIGN-OWNED FLAG OF CONVENIENCE VESSELS WAS ALSO MADE KOURUKLIS BELIEVED SUCH DISCRIMINATION WOULD CAUSE FOREIGN OWNERS TO LOOK ELSEWHERE TO REGISTER THEIR SHIPS; FEARED THAT PROPOSED LINE WILL TRY TO BECOME EXCLUSIVE SHIPPER RATHER THAN COMPETITOR AND SUCH DEVELOPMENT COULD SET OFF SIMILAR PATTERNS I.E., FOR EXAMPLE, IN THE MEDITERRANEAN WHERE PANAMA HAS VITAL CROSS SHIPPING INTERESTS; NOTED LIBERIA AND PANAMA ARE NUMBER ONE AND TWO NATIONS WHOSE SHIPPING SERVES MEXICAN PORTS WITH MEXICO IN FIFTH PLACE. SUBJECT VENTURE NOW UNDER DISCUSSION IN GOP AT MINISTERIAL LEVEL.

3. VELASQUEZ: THE SUBJECT VENTURE HAS A LONG WAY TO GO, BUT ACTIVELY PURSUED BY MEXICO, COLOMBIA, CUBA AND COSTA RICA. SUCCESS PROPOSED SHIPPING VENTURE LARGELY HINGES ON ESTABLISHMENT REGULAR PORT SERVICE THROUGH CARIBBEAN. SO FAR HAITI, BARBADOS, TRINIDAD AND GRANADA HAVE SHOWED NO RPT NO DIRECT INTEREST. PANAMA INTERESTED IN SUBJECT VENTURE AS LONG AS ITS FLAG OF CONVENIENCE OPERATION IS NOT AFFECTED. NEXT CONFERENCE RE SUBJECT VENTURE EXPECTED SAN JOSE LATTER PART OF MAY 1975.

4. COMMENTS: SHIPPING IS A RATHER INTRICATE OPERATION AND IT REMAINS TO BE SEEN WHETHER THIS FIRST PROPOSED LATIN AMERICAN-CARIBBEAN MULTINATIONAL VENTURE WITH CONFIDENTIAL

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MANY CONFLICTING INTERESTS WILL EVER GET OFF THE GROUND. CUBAN PARTICIPATION, OF COURSE, IS A PROBLEM WE CANNOT IGNORE BECAUSE OF U.S. LAW CONCERNING NATIONS WHOSE SHIPS SERVICE CUBAN PORTS.  
JORDEN

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** MARINE TRANSPORTATION, JOINT VENTURES, STEAMSHIP LINES, FOREIGN POLICY POSITION  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 14 MAY 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** CunninFX  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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**Executive Order:** X1  
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**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** SHIPPING: PROPOSED LATIN AMERICAN-CARBEEAN SHIPPING VENTURE  
**TAGS:** EWWT, ETRD, PN  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006